CLAIMS

1. A method of creating a financial structure for an individual, hereinafter "Individual" for the purpose of delivering a tax favored financial position to Individual, said Individual being characterized by being highly compensated by a preexisting business entity, hereinafter "Oldco", the ownership and control of which is by Individual, the method comprising the steps of:

a. creating an "S" type corporation, hereinafter "PLC," and having a business of leasing employee services;

b. creating an Employee Stock Ownership Plan, hereinafter "ESOP";

c. transferring ownership of PLC to ESOP;

d. recruitment of Individual by PLC whereby Individual agrees (i) to be willing to cease providing services, hereinafter "Services," to Oldco, and (ii) to provide Services to Oldco as a leased employee of a wholly owned subsidiary corporation of PLC, hereinafter "QSSS", a qualified subchapter S subsidiary;

e. PLC creating QSSS;

f. QSSS offering to hire Individual and Individual agreeing to accept an offer of employment from QSSS for assignment of Individual as a leased employee, Individual being offered by QSSS, and accepting, a benefits package including a deferred compensation (DC) plan;

g. QSSS agreeing with Oldco to provide Individual as a leased employee to perform Services to Oldco; Individual agreeing to perform Services to

Oldco as a leased employee thereof; and Oldco compensating QSSS for Services provided by Individual for Oldco;

h. allocating all income and expenses of QSSS to PLC and Individual as follows: (i) allocating all items of expense relating to leasing transaction fees to Individual, thereafter allocating all remaining items of expense in proportion to ownership, and (ii) allocating all income in proportion to ownership;

i. Individual deferring compensation from QSSS and QSSS depositing deferred compensation of Individual into a life insurance contract owned solely by QSSS with Individual being the insured, and with the death benefit of said life insurance contract being dedicated to cover deferred compensation liability, and

said QSSS being further characterized by Individual having the absolute right to buy out from PLC the entire ownership of QSSS by PLC at a cost equal to the net book value of QSSS plus a 5% irrevocable assignment of the death benefit of said life insurance contract;

said method creating an income tax deferral for said deferred compensation of said Individual.

2. The method of claim 1 wherein QSSS provides to Individual other mutually agreed benefits.

3. The method of claim 1 wherein said insurance contract is held in a Rabbi Trust, subject to claims of creditors of QSSS.

4. The method of claim 1 wherein said deferred compensation plan is a non-qualified, deferred compensation plan (NQDC).

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